

SERFF Tracking Number:	ARKS-125509227	State:	Arkansas
Filing Company:	42749 - Traders Insurance Company	State Tracking Number:	#7230 \$100
Company Tracking Number:	AR-M-R-2008-02-21		
TOI:	19.0 Personal Auto	Sub-TOI:	19.0001 Private Passenger Auto (PPA)
Product Name:	n/a		
Project Name/Number:	/		

## Filing at a Glance

Company: 42749 - Traders Insurance Company

Product Name: n/a

TOI: 19.0 Personal Auto

Sub-TOI: 19.0001 Private Passenger Auto (PPA)

Filing Type: Rate/Rule

SERFF Tr Num: ARKS-125509227 State: Arkansas

SERFF Status: Closed

Co Tr Num: AR-M-R-2008-02-21

Co Status:

Author:

Date Submitted: 02/26/2008

State Tr Num: #7230 \$100

State Status: Fees verified and received

Reviewer(s): Alexa Grissom, Betty Montesi, Brittany Yielding

Disposition Date: 02/28/2008

Disposition Status: Filed

Effective Date (New): 03/26/2008

Effective Date (Renewal):

04/25/2008

Effective Date Requested (New):

Effective Date Requested (Renewal):

State Filing Description:

## General Information

Project Name:

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 02/28/2008

State Status Changed: 02/28/2008

Corresponding Filing Tracking Number:

Filing Description:

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

## Company and Contact

### Filing Contact Information

NA NA,

NA

NA@NA.com

(123) 555-4567 [Phone]

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Product Name:	n/a		
Project Name/Number:	/		

NA, AR 00000

**Filing Company Information**

42749 - Traders Insurance Company

No Address

City, AR 99999

(999) 999-9999 ext. [Phone]

CoCode: 42749

Group Code:

Group Name:

FEIN Number: 99-9999999

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State of Domicile: Arkansas

Company Type:

State ID Number:

<i>SERFF Tracking Number:</i>	<i>ARKS-125509227</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>n/a</i>		
<i>Project Name/Number:</i>	<i>/</i>		

## Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

<i>SERFF Tracking Number:</i>	<i>ARKS-125509227</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>n/a</i>		
<i>Project Name/Number:</i>	<i>/</i>		

## Correspondence Summary

### Dispositions

<b>Status</b>	<b>Created By</b>	<b>Created On</b>	<b>Date Submitted</b>
Filed	Alexa Grissom	02/28/2008	02/28/2008

*SERFF Tracking Number:*      *ARKS-125509227*

*State:*      *Arkansas*

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*Product Name:*      *n/a*

*Project Name/Number:*      */*

## **Disposition**

Disposition Date: 02/28/2008

Effective Date (New): 03/26/2008

Effective Date (Renewal): 04/25/2008

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number:	ARKS-125509227	State:	Arkansas
Filing Company:	42749 - Traders Insurance Company	State Tracking Number:	#7230 \$100
Company Tracking Number:	AR-M-R-2008-02-21		
TOI:	19.0 Personal Auto	Sub-TOI:	19.0001 Private Passenger Auto (PPA)
Product Name:	n/a		
Project Name/Number:	/		

Item Type	Item Name	Item Status	Public Access
Supporting Document	A-1 Private Passenger Auto Abstract	Filed	Yes
Supporting Document	APCS-Auto Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	ARKS-125509227		No

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*Product Name:*      *n/a*

*Project Name/Number:*      */*

## **Rate Information**

Rate data does NOT apply to filing.

*SERFF Tracking Number:*      *ARKS-125509227*

*State:*      *Arkansas*

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*Sub-TOI:*      *19.0001 Private Passenger Auto (PPA)*

*Product Name:*      *n/a*

*Project Name/Number:*      */*

## Supporting Document Schedules

### Review Status:

**Satisfied -Name:**      ARKS-125509227

03/03/2008

**Comments:**

**Attachment:**

ARKS-125509227.pdf





**Traders**  
INSURANCE COMPANY

ARKS-125509227 AG

# 7230  
100.00

February 21, 2008

Honorable Julie Benafield Bowman  
Commissioner of Insurance  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201

**RECEIVED**

1 FEB 26 2008

PROPERTY AND CASUALTY DIVISION  
ARKANSAS INSURANCE DEPARTMENT

Attn: Ms. Alexa B. Grissom  
Property and Casualty Division – Rates and Rules Filing

**FILED**

RE: Traders Insurance Company  
NAIC Number 42749  
Nonstandard Auto Insurance Program  
Traders Filing #: AR-M-R-2008-02-21  
Rate Revision Effective: March 26, 2008 for new business  
April 25, 2008 for renewals

FEB 26 2008

PROPERTY AND CASUALTY  
ARKANSAS INSURANCE DEPT.

Ms. Grissom:

Traders Insurance Company requests your approval of the enclosed filing effective March 26, 2008 on new business and April 25, 2008 on renewals. The rates herein replace the approved filing stamped on July 27, 2007.

We are respectfully submitting a reduction in our foreign driver's license surcharge. The rate level impact of this change is -0.23% overall. We have no actuarial indications to submit. However, this change is being proposed based off favorable loss experience in this segment of business.

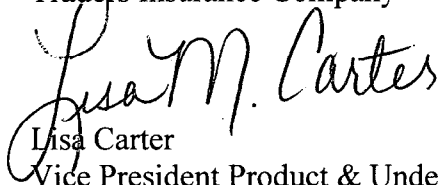
We are also requesting to add one zip code that was missing from our zip list 72019 in Benton. We are assigning it to territory 68. Enclosed is the zip to territory conversion sheet for your records.

In addition to these two rate changes, we would like to respectfully submit a new rule regarding invalid driver's licenses. Attached you will find a copy of the rule for your review.

The company has completed all mandatory forms RF-1, Rate filing abstract and A-1 Auto Abstract. They are enclosed.

We appreciate your prompt consideration for the proposed change. Please feel free to contact me at 1-800-369-0369 ext. 3048 should any questions arise.

Sincerely,  
Traders Insurance Company

A handwritten signature in cursive script that reads "Lisa M. Carter". The signature is written in dark ink and is positioned above the printed name and title.

Lisa Carter

Vice President Product & Underwriting

1-800-369-0369 ext. 3048

[lcarter@deltaplusins.com](mailto:lcarter@deltaplusins.com)

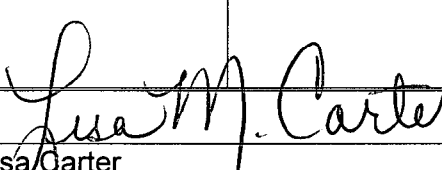
## Property &amp; Casualty Transmittal Document (Revised 1/1/05)

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only
	a. Date the filing is received:
	b. Analyst:
	c. Disposition:
	d. Date of disposition of the filing:
	e. Effective date of filing:
	f. State Filing #:
	g. SERFF Filing #:

3. Group Name	Group NAIC #		
4. Company Name(s)	Domicile	NAIC #	FEIN #
Traders Insurance Co.	MO	42749	43-1216030

5. Company Tracking Number	AR-M-R-2008-02-21
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Lisa Carter Traders Insurance Co. 8916 Troost Ave Kansas City, MO 64131	VP of Product & Underwriting	1-800-369-0369 ext. 3048	816-444-8162	lcarter@deltaplusins.com
				
7. Signature of authorized filer		PROPERTY AND CASUALTY DIVISION		
8. Please print name of authorized filer		KANSAS INSURANCE DEPARTMENT		

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	Private Passenger Auto
10. Sub-Type of Insurance (Sub-TOI)	Non-Standard
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Traders Insurance Company – Arkansas Majestic Program
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input checked="" type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 2008-03-26   Renewal: 2008-04-25
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	n/a
17. Reference Organization # & Title	n/a
18. Company's Date of Filing	02/21/2008
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

## Property & Casualty Transmittal Document—

<b>20.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>AR-M-R-2008-02-21</b>
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<b>21.</b>	<b>Filing Description</b> [This area should be similar to the body of a cover letter and is free-form text]
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We are requesting a reduction to our foreign driver's license surcharge, adding one zip code to our zip to territory list and adding an invalid driver's license surcharge. See enclosed.

<b>22.</b>	<b>Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
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**Check #: 0000007109**

**Amount: \$100.00**

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

**RATE/RULE FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate &amp; Rule; Reference; Loss Cost; Loss Cost &amp; Rule or Rate, etc.)

**(Do not refer to the body of the filing for the component/exhibit listing.)**

<b>1. This filing transmittal is part of Company Tracking #</b>	AR-M-R-2008-02-21
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<b>2. This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	
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☐ Rate Increase
 ☒ Rate Decrease
 ☐ Rate Neutral (0%)

<b>3. Overall percentage rate impact for this filing</b>	-0.23%
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<b>4. Effect of Rate Filing – Written premium change for this program</b>	-\$3,502
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<b>5. Effect of Rate Filing – Number of policyholders</b>	1,178
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<b>6. Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	File & Use
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<b>7. Rate Change by Company</b>	
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Company Name	Percentage Change for this program	# of policyholders for this program	Written premium for this program
Traders Insurance Co.	-0.23%	1,178	\$1,848,215

<b>8. Overall percentage of last rate revision</b>	+16.2%
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<b>9. Effective Date of last rate revision</b>	New: 03/26/2008    Renewals: 04/25/2008
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<b>10. Filing Method of Last filing</b> (Prior Approval, File & Use, Flex Band, etc.)	File & Use
--	------------

11.	Exhibit Name/Description /Synopsis	Rule # or Page #	Replacement or withdrawn?	Previous state filing number, if required by state
01	Traders Insurance Co.–Manual Foreign Driver's License Invalid Driver's License	Page 4 Page 7	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
02			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
03			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
04			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
05			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	

To be complete, a rate/rule filing must include the following:

1. A completed Rate/Rule Filing Transmittal document (PC RRFS-1) (Do not refer to the body of the filing for the component/exhibit listing.) and,
2. A completed Property & Casualty Transmittal Document (PC TD-1) and,
3. One copy of all rate/rule components/exhibits submitted with the filing, and
4. The appropriate state review requirements, if required, and
5. The appropriate filing fees, if required, and
6. A postage-paid, self-addressed envelope large enough to accommodate the return
7. You should refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

# NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	AR-M-R-2008-02-21
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	
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3.	A.	Company Name	Company NAIC Number
		Traders Insurance Co.	42749

4.	A.	Product Coding Matrix Line of Business (i.e., Type of Insurance)	Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
		Private Passenger Auto	Non-Standard

5.	(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				(H) Co. Current Loss Cost Multiplier
				(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	
	BI	n/a	-0.23%	n/a	n/a	n/a	n/a	n/a
	PD	n/a	-0.23%	n/a	n/a	n/a	n/a	n/a
	UM	n/a	0.00%	n/a	n/a	n/a	n/a	n/a
	Comp	n/a	-0.23%	n/a	n/a	n/a	n/a	n/a
	Coll	n/a	-0.23%	n/a	n/a	n/a	n/a	n/a
	TOTAL OVERALL EFFECT	n/a	-0.23%					

5 Year History					Rate Change History					Expense Constants					Phy Dam	
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio									
Initial Revision	1,052	+16.2	2007-08-22	\$313,495	\$192,087	60.40%	59.40%						A. Total Production Expense		28.47%	22.50%
02/20/2008	1,178	-0.23%	2008-02-20	\$1,478,331	\$1,030,198	69.70%	59.57%						B. General Expense		15.54%	15.54%
													C. Taxes, License & Fees		2.89%	2.68%
													D. Underwriting Profit & Contingencies		5.00%	5.00%
													E. Investment Income		-3.76%	-3.76%
													F. TOTAL		48.14%	41.96%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. +53.8% Estimated Maximum Rate Increase for any Insured (%) Territory (if applicable):
10. -12.5% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable):

FORM APCS - last modified August 2005

42749  
Traders Insurance Co.  
Lisa Carter  
1-800-369-0369 ext. 3048  
lcarter@dellapiusins.com  
20-Feb-08

0	%
2-22	%
0	%
20 on OTC	%
5	%
5	%

**Submit to:** Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201-1903

**Telephone:** 501-374-2800

**Email:** [insurance.dnc@arkansas.gov](mailto:insurance.dnc@arkansas.gov)  
You may also attach to a SERFF filing or submit  
on a compact disk

[illegible]

ARKANSAS INSURANCE DEPARTMENT  
PRIVATE PASSENGER AUTOMOBILE ABSTRACT

FORM A-1  
Rev. 4/98

Instructions: All questions must be answered. If the answer is "none" or "Not applicable", so state. If all questions are not answered, the filing will not be accepted for review by the Department. Use a separate abstract for each company if filing for a group. Subsequent homeowners rate/rule submission that do not alter the information contained herein need not include this form.

Company Name Traders Insurance Co.  
NAIC No. 42749 Group No. \_\_\_\_\_

1. Are there any areas in the State of Arkansas in which your company will not write automobile insurance?  
no
2. Do you furnish a market for young drivers? yes  
Over age 65 drivers? yes
3. Do you require collateral business to support a youthful driver risk? no
4. Do you insure driver with an international or foreign driver's license? Yes, foreign driver's license
5. Specify the percentage you allow in credit or discounts for the following:

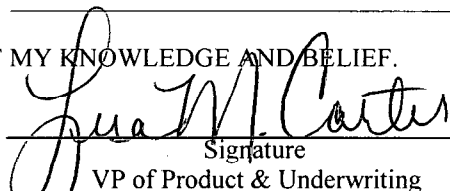
a. Driver Over 55	<u>5</u>	%
b. Good Student Discount	<u>0</u>	%
c. Multi-car Discount	<u>16-22</u>	%
d. Accident Free Discount*	<u>0</u>	%
*Please Specify Qualification for Discount _____		
e. Anti-theft Discount	<u>20 OTC cov</u>	%
f. Other (specify)	_____	%
<u>Paid in Full Discount</u>	<u>10 - 14</u>	%
<u>Homeowner</u>	<u>2 - 14</u>	%
6. Do you have an installment payment plan for automobile insurance? Yes  
If so, what is the fee for installment payments? \$7.00 non EFT \$3.00 EFT
7. Does your company utilize a tiered rating plan? no If so, list the programs and percentage difference.

State the current volume for each program.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

THE INFORMATION PROVIDED IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

  
\_\_\_\_\_  
Signature  
VP of Product & Underwriting  
\_\_\_\_\_  
Title  
1-800-369-0369 ext. 3048  
\_\_\_\_\_  
Telephone Number



## Other Discounts and Surcharges

### VEHICLE LEVEL SURCHARGE

In Algorithm, Surcharges are added to 1.00.

	BI	PD	MED	UM	OTC	COLL
Business Use	0.20	0.20	0.20	0.20	0.20	0.20
Invalid Driver's License Surcharge	1.00	1.00	1.00	1.00	1.00	1.00

### VEHICLE DISCOUNT

In Algorithm, Surcharges are subtracted from 1.00.

	BI	PD	MED	UM	OTC	COLL
Anti-Theft Discount	0.00	0.00	0.00	0.00	0.20	0.00

### DRIVER LEVEL SURCHARGE

In Algorithm, Surcharges are added to 1.00.

	BI	PD	MED	UM	OTC	COLL
Inexperienced Driver	0.35	0.35	0.35	0.00	0.35	0.35
Foreign Driver's License	0.05	0.05	0.05	0.00	0.05	0.05
Unverifiable Driver's License	0.35	0.35	0.35	0.00	0.35	0.35

### DRIVER LEVEL DISCOUNT

In Algorithm, Discounts are subtracted from 1.00.

	BI	PD	MED	UM	OTC	COLL
Senior Accident Prevention Course	0.05	0.05	0.05	0.00	0.00	0.05
College Graduate Aptitude Discount	0.03	0.03	0.03	0.00	0.03	0.03

## Unacceptable Operators

The Following operators are unacceptable. Do not bind coverage on the following risks:

Any operator who has the following combination of violations in the most recent 35 month period:

- More than 10
- More than 2 At-Fault
- A combination of more than 4 of the following:
  - At Fault Accidents
  - Not At Fault Accidents
  - Other Claims
- Any operator regardless of age and does not have a valid U.S. drivers license or learners permit, unless the license will be or has been reinstated with a Financial Responsibility Filing (SR-22). A Suspended or Revoked license is not a valid license. **EXCEPTION:** – meets the guidelines of “Foreign Driver’s License” and appropriate premium charged;
- Has a felony conviction involving the use of an automobile, regardless of conviction date;
- Has been convicted of insurance fraud;
- Is physically, mentally or emotionally impaired beyond his/her license restricted capacity;
- Cannot safely operate a motor vehicle at all times under all conditions, without qualification;
- Is a transient or migrant worker or temporary resident of the state of ManualState;
- Is not a permanent resident of ManualState, residing in the state at least 10 months of the year (including students who maintain their license and residence in another state);
- Has an international driver’s license. (A license issued by a state or province of a foreign country is NOT an international drivers license.)
- Military personnel stationed outside of the state of ManualState. **EXCEPTION:** Call Traders’ Customer Service to receive exceptions for Military personnel in combat

## Submit – Do Not Bind

The Following operators require prior approval. Submit all application information for approval. Do not bind coverage or accept premium on the following risks without an exception number issued by Traders’ Underwriting Department:

Any operator who:

- requires modifications to safely operate a motor vehicle;
- has a visual impairment that is not fully corrected with eyeglasses or contact lenses;
- is deaf and has any violations or accidents. Acceptable without receiving an exception number with a clean record.
- has been diagnosed for diabetes within the last 24 months;
- has been treated for blackouts, seizure disorders, hypoglycemia or nervous conditions;
- is taking narcotic or hallucinogenic medication or anti-seizure medication, even if prescribed by a doctor;
- is age 70-75 without a clean record;
- is over the age of 75

## Driver Exclusions

Driver exclusion endorsements must be executed for all residents of the household age 14 and older, whether licensed or not, who do not meet all underwriting guidelines. Drivers who are not household members cannot be excluded and must be reported and the appropriate premium paid. The risk is unacceptable if the applicant/named insured does not wish to pay the premium for this exposure.

The company gives the option to exclude any household member of driving age (and those age 14 and older) before adding them to the policy. Those driver exclusions received after the effective date will be excluded from the policy as of the date the exclusion is received.

Driver Exclusions may not be withdrawn unless and until the Company has underwritten the driver and endorsed the policy to remove the exclusion of that driver. The insured must submit a written request to the Company requesting the deletion of an exclusion. The request **must include** all necessary driving information on the excluded operator, including date of birth, social security number and driver’s license number.

## SR22 Filings

Filings are only available for the applicant/named insured and family members. Filings will be electronically delivered to the state of Arkansas, generally within 2 business days of receipt of the application. Please note: The state of Arkansas does not typically recognize the receipt of an SR-22 until the business day after delivery. SR-22 filings are only available for the state of Arkansas and. The following is also required:

- Arkansas driver’s license – the name on the filing must appear exactly as it reads on the driver’s license;
- Valid VIN’s for all vehicles on the policy;
- Increased limits are not available.

## Foreign Driver’s License

Drivers who have a valid foreign driver’s license (International Licenses not acceptable) will receive a 5% surcharge until they are able to submit proof of a valid U.S. license and the license has been in effect for at least 24 months.

## Eligible Vehicles

Vehicles must be owned by an individual, by a husband and wife whom are residents of the same household or by a child of the named insured who is a resident of the named insured’s household. Eligible vehicles include private passenger automobiles, pickups, vans and utility vehicles. A vehicle may not have a gross vehicle weight of over 10,000 lbs or a Manufacturer’s Suggested Retail Price (MSRP) over \$60,000. “Eligible Vehicles” does **NOT** include adding physical damage to a vehicle to cover a rental car agreement.

### **Invalid Driver's License (And/Or Unable To Obtain A Valid MVR)**

Individuals with an invalid driver's license or on whom the Company cannot obtain a valid MVR are unacceptable and subject to cancellation. This surcharge will not apply if the policy can be cancelled. This surcharge will apply if an individual's license is invalid and/or when the company has unsuccessfully attempted to obtain an individual's driving record. Before applying this surcharge, the Company will provide time for the individual to correct the deficiency that causes the license to be invalid or the driving record to be unobtainable.

Invalid includes, but is not limited to expired, suspended, revoked, surrendered, cancelled or invalid for any other reason. If an Unverifiable MVR surcharge was previously applied to an individual, this surcharge will be removed and the Invalid Drivers' License Surcharge of 100% will be applied to the entire policy.

### **Uprates**

Policy uprates on new applications should not happen because the MVR, Insurance Score and History of Prior Losses are ordered before binding coverage. Generally, increase endorsements will be caused due to failure to provide sufficient proof of items such as proof of prior insurance, home ownership etc. When this happens, an endorsement will be issued and a bill will be due to bring the policy into equity with before the first installment.

### **Insurance Score**

The Company utilizes an applicant's insurance score as one factor in rating the risk:

- To order this information, simply follow the instructions in the rating software.
- A policy cannot be uploaded unless an insurance score has been ordered
- Be sure to include full name, address and social security number to avoid inaccurate or incomplete insurance scores.
- You will not receive any information contained in the applicant's insurance score.
- An applicant who suspects inaccuracies in his/her insurance score can obtain a copy by calling the score provider after the confirmation is complete. Producers cannot request this information. Only the customer can contact the insurance score vendor.

### **Compliance with Financial Responsibility Laws**

- Compliance with Financial Responsibility Laws means the applicant has proof of private passenger automobile liability insurance, which verifies that the previous policy covered the named insured or rated spouse and provided 6 months continuous liability coverage (**no mid-term lapses in coverage**).
- Part of the responsibility of the financial responsibility discounts is the ability to keep insurance paperwork. If the prior policy was still in-force, or had been recently cancelled, the insured should have documentation that

demonstrates the status, effective dates and liability limits of the policy.

- The company rating software will request that you send in proof of prior insurance when required.

### **Proof of Prior Coverage**

Acceptable proof of prior coverage includes; company issued declarations pages, company issued ID cards, company issued renewal or non-renewal notices, a current premium invoice (billing notice) reflecting dates of prior coverage or a letter from a prior carrier.

- The documentation must clearly reflect the dates of prior coverage (may be verified by the Company).
- Lapses in coverage must be clearly reflected in the documentation. If the expiration date on the prior policy is more than seven (7) days after the application effective date, additional documentation such as a recent billing, cancellation, renewal or non-renewal notice is also required to verify that the policy was in force.
- Mid-term lapses are unacceptable
- We will accept Traders Insurance Company's Classic Program Policies as proof of prior.

**The company will verify information and proof submitted for discounts as part of the underwriting process.**

### **Territories**

The rater automatically assigns territories based on the garaging ZIP code. If the insured uses a post office box as a mailing address, the physical garaging address of each vehicle, including zip code, must also be provided.

Garaging locations outside of Arkansas are unacceptable. The Company has filed a territory code for non-Arkansas zip codes that is considerably higher than any valid Arkansas Zip /Territory. Arkansas policyholders moving out of the state should apply for insurance coverage in their new state of residence. Policyholders who do not cancel their Arkansas policy upon moving to a state that the Company does not write business may be cancelled.

### **Endorsements**

Premiums are due at the time the endorsement is processed and payments must be uploaded with the endorsement.

If any automobile, driver or coverage is added or deleted during the policy term, the premium for the endorsement will be based on the rates in effect at the inception date of the policy.

If a policy is endorsed to provide coverage for an unacceptable vehicle or a vehicle with an MSRP in excess of \$60,000, the premiums for that vehicle will be surcharged and the policy will be cancelled or non-renewed.

### **Renewals**

Policies will be reviewed and re-rated at each expiration using current rates, point counts and classifications.